

5 Factors That Decide Your Credit Score

Credit scores range between 200 and 800. Scores above 620 are considered desirable for obtaining a mortgage. These factors will affect your score.

- 1. Your payment history. Whether you paid credit card obligations on time.*
- 2. How much you owe. Owing a great deal of money on numerous accounts can indicate that you are overextended.*
- 3. The length of your credit history. In general, the longer the better.*
- 4. How much new credit you have. New credit, either installment payments or new credit cards, are considered more risky, even if you pay promptly.*
- 5. The types of credit you use. Generally, it's desirable to have more than one type of credit—installment loans, credit cards, and a mortgage, for example.*

For more on evaluating and understanding your credit score, go to <http://www.myfico.com>.

